



TOBY DOUGLAS
DIRECTOR

State of California – Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

October 16, 2014

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 14-36
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: Notice of Reporting Requirements and New Address for Workers'
Compensation Recovery Program Contractor

The purpose of this letter is to clarify reporting requirements when it is determined that a Medi-Cal beneficiary has been involved in a work-related injury. In addition, this letter serves as notice that the Department of Health Care Services Workers' Compensation Recovery contractor, Health Management Systems, Inc. (HMS) has moved.

The Department utilizes contracted services to recover funds paid by Medi-Cal for medical care services resulting from work related injuries or illness properly payable under a workers' compensation claim. Welfare and Institutions Code Section 14124.88 permits DHCS, at its discretion, to contract out for recovery services, subject to the provisions of Sections 14124.81 to 14124.87, inclusive. DHCS has contracted out for these recovery services since the expiration of the three-year pilot project of October 1981 (Section 14124.86).

DEPARTMENT RECOVERY RIGHTS:

The Department of Health Care Services (DHCS) has statutory lien/claim rights in Workers' Compensation (WC) matters involving a Medi-Cal beneficiary pursuant to W&I Code Sections 14124.70-14124.79. DHCS retains sole lien/claim rights in all third party actions.

DHCS contracts out the identification and collection of WC cases, also known as the Medi-Cal Workers' Compensation Recovery Program (WCRP). The contractor acts on behalf of DHCS to recovery Medi-Cal paid services from WC cases. The current WCRP contractor is Health Management Systems, Inc. (HMS).

WORK RELATED INJURIES:

When an injury occurs at work, a claim can be made with the WC insurance carrier. If the carrier disputes the injury, a claim can be filed with the Workers' Compensation Appeals Board (WCAB). DHCS, through its contractor, files a claim for reimbursement of Medi-Cal paid services relating to the injury.

COUNTY RESPONSIBILITIES REGARDING WORKERS' COMPENSATION CLAIMS:

Counties are required to notify DHCS within 10 days of knowledge that an employer may be liable for payment of Medi-Cal paid services for a Medi-Cal beneficiary. For Medi-Cal paid treatments that involve a work-related injury, the county should notify HMS directly at the following address:

Health Management Systems, Inc.
1225 8th Street Suite 550
Sacramento, CA 95814
Telephone (916) 760-5100
Facsimile (916) 854-1850

Notices shall include the following:

- 1) Beneficiary's Name, Address, and Telephone Number
- 2) Medi-Cal Identification Number
- 3) Date of Injury
- 4) Type of Injury
- 5) Attorney's Name, Address, and Telephone Number (if applicable)
- 6) Insurance Company's Name, Address, and Telephone Number (if applicable)
- 7) Employer's Name, Address, and Telephone Number
- 8) WCAB Number (if applicable)

For general questions or questions relating to the contents of this letter please direct to Ms. Jeannine Cook, WCRP Contract Manager, at (916) 650-6572. For beneficiaries that have or will have a WC claim, call HMS directly at (916) 760-5100.

Original Signed By:

Tara Naisbitt, Chief
Medi-Cal Eligibility Division